OC M77-074

3 FEB 1977

DD/A Registry
File O&M 2-2

MEMORANDUM FOR: Deputy Director for Administration

STATINTL   FROM   : ███████████████
Director of Communications

SUBJECT   : ADP Issues

1. Your draft on the same subject, accompanying DDA 77-0440, covers the salient points. You might also wish to observe that the major components have developed simple organizational techniques for dealing with substantive issues as opposed to those situations in which one is merely a customer of the other's service. For example, a BUS Communications Branch of the SAFE Project includes both OC and ODP personnel. In addition, a joint ODP/OC Planning Committee meets regularly to address those near-term planning problems which involve both offices in the provision of timely service to Agency customers.

2. The common functions of the three offices form a very small proportion of the total services provided by the three offices. To consolidate based on the perception that this commonality is significant would be doing a disservice to the great proportion of activity in each office which is unique to the functioning of that component.

3. Any change of this magnitude would be bound to introduce a great deal of trauma and uncertainty among the personnel of the components involved. This shock would probably prevent any such organization from functioning efficiently for an appreciable period of time unless a carefully thought out plan was devised and put into affect, prior to consolidation.

4. I am attaching two drafts which flesh out the differences in the people and the personnel management philosophies of the three components somewhat more than your draft, should you wish to use those words.

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Attachments as Stated

D R A F T
27 January 1977

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1. Probably the major single factor that mitigates against amalgamation of OC, ODP and OL/P&PD is the huge size, both in budget and manpower, of the organization which would result. On the other hand, to simply combine the three organizations under a single head will accomplish little in coordination and cooperation that doesn't already exist with them presently in a single directorate.

2. A problem second in magnitude only to the size is the vast difference in the types of people and careers in the three different organizations. The career management techniques and procedures developed by OC to operate the worldwide commo network stresses flexibility and personnel discipline combined with technical versatility. On the other hand, the ODP personnel are generally acknowledged to be free spirits who are almost nomadic in their job moving habits. Here the stress is innovation and a flair for thinking of different and unusual solutions for problems. Finally, there are the people in P&PD who perform more or less routine tasks in the confines of a single building in Langley.

3.   The broad span of control and the multiple
XXXdisciplines involved in this combination would pre-
clude a single leader/manager from possessing first-
hand experience and technical knowledge in all of the
skills and arts so that he would simply have to look to
the next level or below to find the expertise to make
technical judgments. Now if the result of this amalgamation
is to be a too large, more or less unmanageable combination
of vastly different skills and technical disciplines, then
what is to be gained by amalgamation?

4.   On the other hand, through the use of task force
techniques such as the BUS Communications Team of the SAFE
Project which includes OC and ODP personnel among others,
a closely coordinated working relationship has been
accomplished. Likewise, the joint ODP/OC Planning
Committee meets regularly to address near term planning
problems concerned with providing our customers with an
integrated systems approach to their problems. Now this
type of coordination and cooperation can be and is being
accomplished today without creating the various management
problems which would result from amalgamation. Furthermore,
the computer portion of the P&PD operation, the communications
portion of ODP and the data processing portion of the
Office of Communications are quite small by comparison

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to the total and generally unrelated work performed by the three organizations. In the case of Commo, the narrative message network with its hundreds of rotating communicators worldwide, its Telephone Branch operating thousands of gray, green, red and black telephone circuits, and its covert communications support to the DDO also world-wide comprise over 90% of the manpower and funds spent annually. The ratios in the other units between unique/unrelated work and ADP related work is likewise great.

5.   In what fashion amalgamation would aid in solving the Agency's ADP problems is not clear. At some level, Agency management is going to have to come to grips with the question of what size data processing facility is appropriate for this organization to provide the most cost effective use of computer technology and then come up with a method to establish the priorities of potential users to stay within the limitations established. The use of industrial funding techniques and the establishment of a knowledgeable, hard-nosed data processing control board have more potential for success in my opinion.

DRAFT
1 February 1977

For some time, there has been an undercurrent within the Agency proposing some type of consolidation of those components seen as being in the information handling business. Generally, the discussions have proposed a joining together of ODP, OC, OCR and some portion of P&PD into a directorate concerned with the transportation and processing of information. The request for a study of an amalgamation of ODP, OC and a portion of P&PD is the first proposal to combine the units into a single entity at the office level. The results would be rather like the mating of a mastodon and a woolly mammoth. The offspring would certainly be the largest organism on the face of our small earth and might well have the most disconnected nervous system of any such organism.

The superficial advantage of such an organizational mating would be to provide a single management mechanism which would presumably have as its objective the better control of Agency utilization of ADP resources. This would imply that a manager major priority of the Agency is the establishment of such management control and that other organizational imparatives can be sacrificed to that objective. The presumption is that the technical skills and human relationships of the three

cultures have a certain degree of interchangeability. This
is not so.

The P&PD is largely wage board in its composition with a
latent atmosphere of unionism present. It is a Washington-
based organization with limited horizontal and vertical mobility.
It is the closest thing to a craft organization existing in the
Agency.

ODP, in contrast, is composed of a number of highly mobile,
relatively young people whose bonding tends to be to the
profession rather than to the institution. Job mobility is
a fact of life and the skill is a highly mobile one in both
the public and private sectors.

The Office of Communications is a very structured, tightly
disciplined organization where rotation is a way of life. The
degree of professional skills required within the Office of
Communications vary considerably from the skills of a telephone
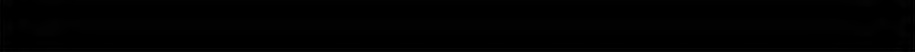operator to those of a electronic engineer.

The impact of change brought about by such an enforced
amalgamation might well cause organizational anomie. At the
very least, there would be a long period of organizational
trauma and mission confusion.

The Office of Communications is already the object of
considerable congressional attention because of the size of
its budget. The amalgamation of these elements would end up
with an organization having an annual budget in FY 78 figures

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██ This would

become a highly vulnerable target to congressional attack

not only because of its very size but because it could be

perceived as a very inefficient organization. The problems

associated with the management of the ADP assets would submerge

the visualization of the efficient management of the Office

of Communications and the Printing and Photography Division.

ORIGINAL

DD/A Registry

File _O &M 2-2_

DDA 77-0440

25 January 1977

MEMORANDUM FOR: Director of Communications
                Director of Data Processing
                Director of Logistics

FROM   : John F. Blake
                 Deputy Director for Administration

SUBJECT   : ADP Issues

     1. In a meeting held several weeks ago, I committed
myself to reduce some thoughts to writing on the fourth
tasking contained in the "ADP Issues". The attachment
reflects the product of my labor.

     2. May I ask each of you to review the material and
add to it material you believe relevant to the issue. Do
not feel constrained to comment on the matter solely from
your own organizational point of view, but feel free to
comment on the other units involved as well as commenting
on what may be the deficiencies of a combined organization.

     3. I would appreciate receiving your input by Friday,
11 February 1977. Feel free to reply in the same type of
format as the attachment. We do not need from the individual
components, at least at this time, anything as extensive as
a formal staff study.

25X1A

                            John F. Blake

Att

Distribution:
   Orig - D/OC w/att   1 - DDA Subject w/background (Memo to EAG
      1 - D/DP w/att   Members fr DDCI, dtd 11 Dec 1976)
      1 - D/OL w/att   1 - DDA Chrono w/o background
          (Attn: C/P&PD) 1 - JFB Chrono w/o background

DOWNGRADED TO A-IUO WHEN SEPARATED   E2 IMPDET
FROM ATTACHMENT   CL BY 001777

SECRET

"ADP ISSUES"

1. The fourth tasking on the subject of "ADP Issues" given to this Directorate by the Acting Director of Central Intelligence reads as follows:

"Fourth, in view of ADP trends linking computers to the communications, micrographics, and publishing fields, would any advantages be gained by consolidating ODP, the Office of Communications, and the Printing and Photography Division of the Office of Logistics? I would like the DDA to undertake a preliminary review in this area for EAG discussion in April."

2. This paper sets forth some views on this matter and solicits from the three units involved additional comments on the issue.

3. I believe the day will come, and I have already had conversations with the Directors of Data Processing and Communications, when serious consideration should be given to studying the pros and cons of merging the Offices of Data Processing and Communications. Perhaps, when that day arrives consideration could also be given to considering also the amalgamation of the Printing and Photography Division, although I am not nearly as clear in my mind on that point. For a variety of reasons, however, we are of the opinion that it would be an ill-advised step to combine

E2 IMPDET
CL BY 001777

these units at this time, and some of the reasons for
that feeling are as follows:

I. Office of Data Processing

The Office of Data Processing is faced with a
considerable set of problems, not of its own making,
that should be addressed, studied and solved before
any organizational realignment were to take place.
At a minimum, those problems include:

A. The issue of cost accounting, budgeting, and
reimbursing for computer services. Only now
has there commenced some Agency-level
consideration of this issue and I have not
noted as yet any great enthusiasm to attack
the problem.

B. The matter of establishing standards for the
acceptance by the Office of Data Processing
for requests for computer services and the
issue of establishing Agency-wide and enforce-
able priorities for computer service has yet
to be attacked at the Agency level.

C. We do not at this moment have a crystal clear
indication that Project SAFE will proceed and,
if so, at what funding level.

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D. The third tasking on "ADP Issues" given for study is "what <u>balance</u> should we be striving to achieve between centralized and decentralized computer facilities?" This issue should be thoroughly studied and some indication of the future path be known before any thought is given to reorganization.

II. <u>Office of Communications</u>

A. We would be ill-advised to undertake any organizational change affecting the Office of Communications until we receive the results of the investigation by Staff Members of the House Appropriations Committee. It is my understanding that this report may not be issued until next year.

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C. Certain of the on-going technical programs of the Office of Communications, e.g., SKYLINK, AFT, HATS, etc., should be completed before any organizational realignment is considered so that the current

figures, an annual budget ████████████   25X1A

████████████████████████████████ While it

may be true that some minor monetary and

personnel savings could be made at the overall

management level, we would still end up with a

unit highly vulnerable to OMB and Congressional

budget slashing.

B. The admixture of the types of people, and how

they are used, from the three units involved

could be a personnel management nightmare.

Printing and Photography Division personnel

exclusively serve at the Headquarters complex,

Office of Data Processing personnel do some,

but little rotation and that primarily at

Headquarters, and the Office of Communications

personnel, next to the DDO, run the largest

worldwide rotation program.

C. An unknown but predictable period of time,

measured in years, would transpire before

parochial rivalries and maneuvering for power

subsided to an acceptable level.

Communications management would not have to
simultaneously wrestle with the myriad
bureaucratic problems involved and still be
deeply involved in extensive technical develop-
mental programs.

III. Printing and Photograph Division, Office of Logistics

A. The inclusion of the Printing and Photography
Division in the tasking lacks some clear rationale.
The thought to include the printing function is
more understandable than the photography responsi-
bilities of the Division.

B. To a great degree it appears to me there is a
difference in the culture of the personnel used
in the Printing and Photography Division as opposed
to the Office of Data Processing and the Office of
Communications. Their orientations are somewhat
different.

C. The physical location of the Printing and Photo-
graphy Division, and it is a completely dedicated
facility to its mission, is also a consideration.

4. The above merely reflects a minimum number of reservations
based on the individual units. There exist other reservations on
the totality of problems that would be created if all three units
were put together:

A. If an Office of COMADPRINT (Communications, ADP, and
Printing) were created at the current budge and
personnel levels, it would have, based on FY-78

MEMORANDUM FOR: Executive Advisory Group Members

SUBJECT   :   ADP Issues

1. At the conclusion of our recent sessions on the management of CIA's ADP resources, I promised to set down the issues that I believe we should address in the near future. I feel it is essential that we take positive steps during the coming year to improve central management of our total ADP program. We were called to task on this by the CFI and OMB during the recent budget review and suffered cuts which were intended to stimulate improvement on our part.

2. I see four fundamental issues:

First, how can we monitor current month-by-month use of the central services provided by the Office of Data Processing (ODP) in such a way as to ensure visibility to top management of the many demands being levied on ODP by Agency components and permit Agency-level decisions to be made on priorities when contentions for limited ODP resources arise? The proposed ADP Resource Allocation System, which the Director of ODP summarized for us the other day, represents one way we might accomplish this. What other options are there? I want the Office of the Comptroller and ODP to outline the options available to us so that we may decide among them at an EAG meeting in January.

Second, what can be done to improve top management's ability to plan for future ADP resource requirements so that we may assure ourselves that the large ADP budget increases we are experiencing are in the overall interests of the Agency? How can the key ADP investment issues we face be brought forward for top management review so that we may establish guidance for the budget planning process? I would like the Comptroller to review existing ADP program planning procedures and suggest changes which would improve our ability to focus on major ADP investment issues—including those which do not fall under ODP's jurisdiction, as well as those which do. This should be done for the same January EAG meeting.

Third, what balance should we be striving to achieve between centralized and decentralized computer facilities? I understand that there are many complex balances involved, including dedicated vs. general-purpose computer systems, minicomputers vs. massive machines, distributed vs. central processing, and decentralized vs. centralized systems development. I would like ODP, working with NPIC, ORD, OCR, ISS, and possibly other components, to study this issue and make recommendations to the EAG in April.

Fourth, in view of ADP trends linking computers to the communications, micrographics, and publishing fields, would any advantages be gained by consolidating ODP, the Office of Communications, and the Printing and Photography Division of the Office of Logistics? I would like the DDA to undertake a preliminary review in this area for EAG discussion in April.

3. I am well aware that these are extraordinarily complicated issues containing many points of contention. I am sure that Mr. Blake and Mr. Taylor would welcome any comments other EAG members may have at this time.

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E. H. Knoche
Deputy Director of Central Intelligence

cc: D/ODP